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April 17, 2017

Todd Thompson, P.E.
Water Use Efficiency
P.O. Box 942836
Sacramento, CA 94236

VIA EMAIL: WUE@water.ca.gov

Re: Adoption of regulations regarding the conduct of water loss audits and water loss control reporting

Dear Mr. Thompson,

On behalf of Olivenhain Municipal Water District, thank you for the opportunity to provide the Department of Water Resources with input on water loss audits and water loss control reporting. OMWD provides 84,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

OMWD is actively engaged in the AWWA Water Loss Technical Assistance Program, and appreciates the process to date. OMWD also appreciates the opportunity to comment on the adoption of regulations regarding the conduct of water loss audits and water loss control reporting. Please consider the following recommendations.

1. Allow the annual, audited water loss report to meet the reporting requirements for the distribution system water loss for the most recent 12-month period established in the urban water management plan (Section 4.3 of the 2015 UWMP) to avoid duplication of reporting equivalent information.
2. For fiscal year reporting, allow suppliers to report the previous year's data. OMWD's fiscal year ends June 30. Water usage during June is not available until July, leaving a short timeframe to compile the data in time to submit an audited report to DWR by the October 1 deadline. Alternatively, allow six months after the fiscal year ends to complete the report. Extending the deadline to January 31 would allow for adequate time to complete the report and is consistent with State Controller's Office deadlines.
3. Offer a method of compliance to meet the audit requirements which allows an agency to perform the audit with available staff, including staff that are involved in the reporting process. For example, offer a water loss auditor certification program and allowing the holder to be involved in the reporting lessens the burden of small agencies.



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4. Continue to offer the AWWA Water Loss Technical Assistance Program, or similar program that provides both training and a validated audit, at no cost to the water supplier. Alternatively, offer financial assistance to cover both the cost of training staff on reporting requirements and the cost of the audit.
5. Recognize that the estimated cost imposed on local agencies of \$7,000 does not include any costs associated with the improvement of systems to address areas of concern identified by the audit. For example, though a random sampling of meters to test the accuracy increases the data validity score, the associated cost of implementing such a program could easily reach hundreds of thousands of dollars, not to mention the significant amount of water that is lost in the process of testing. This task provides the agency with a better informed account of their meter accuracy, but does not minimize system water loss. Though more confidence in the data is of benefit, the cost of such data validation may not be prudent.
6. Recognize that any unfunded mandate results in a cost that is borne by the ratepayers, which may adversely affect jobs and the economy. Financial assistance should be made available to meet the requirements set forth by SB 555, and any mandated actions should have a cost-benefit analysis taken into consideration that guides the policy.

OMWD is a leader in distribution system water loss prevention and implements many proactive measures to minimize water loss including a cathodic protection program, a valve replacement program, a leak detection program, and a meter replacement program. OMWD prides itself on the efforts taken to reduce water loss with cost-effective measures, and appreciates the opportunity to express our concerns regarding the time to complete the water loss report, the auditing process, and the costs associated with compliance.

If you or your staff should need any additional details pertaining to this assessment, please do not hesitate to contact me at 760-753-6466.

Regards,



Kimberly A. Thorner
General Manager

CC: Kim Craig, Deputy Cabinet Secretary, Office of Governor Edmund G. Brown, Jr.
Assemblywoman Marie Waldron
Assemblyman Rocky Chavez
Assemblyman Brian Maienschein
Assemblyman Todd Gloria
Senator Pat Bates
Senator Joel Anderson
Senator Toni Atkins
Mark Muir, Board Chairman, San Diego County Water Authority
Peter Brostrom, Department of Water Resources
Dave Bolland, Director of Regulatory Relations, Association of California Water Agencies